

DIGITAL MARKETING IN PROMOTING EVENTS AND FESTIVITIES. A CASE OF SANUR VILLAGE FESTIVAL

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Abstract

Digital marketing intends to influence consumers' desire, cognition, feelings, belief, attitude and image concerning products and brands which has the ultimate goal to influence consumers' purchase behaviour. Digital marketing has been widely used to promote tourism around the world, including Sanur Village Festival in Bali. Sanur Village Festival is one of the famous events in Bali which has been held annually since year 2005 in order to recover image and reputation of Bali as a peaceful destination after terrorism attacks. Research was designed to examine the role of digital marketing in visitors' behavioural intention in visiting Sanur Village Festival 2015. Research was undertaken in the area of Sanur Village Festival (SVF) on 26 - 30 August 2015. The number of respondents was 207 visitors. Data was analysed by using SmartPLS program.

The results show that among four indicators, only indicator of event advertisement significantly influences visitors' intention in visiting SVF with Alpha Cronbach coefficient is 0.59 (≥ 0.6) and correlation coefficient is 0.369 (≥ 0.3). Meanwhile, three other indicators, namely source of event's information, accompany to visit, and event's arrangement is not significant to influence visitors' intention to visit SVF. Among types of advertisement, the results show that the highest percentage of advertisement's type which affected the visitors' intention to visit SVF is the use of digital advertisement, namely television (41.2%), internet (32.7%), and broadcast (13.4%). However, non-digital advertisement has less influence, namely printed media (4.8%), banner (4.5%) and brochure (3.4%). Understanding development of preferred weblogs and portals by internet users is very important to be able to get more success in gaining specific target market, as people are getting more internets oriented.

The results indicate that successful promotional strategy in the information and technological era should be focused on digital marketing with a clear focus on efficiency, sustainability and experiences enrichment. However, it cannot be denied that other factors such as attitudes toward behaviour and perceived behaviour control are also defining factors in influencing consumers' purchase behaviour which is also need to be focused on.

Keywords: event, festival, digital marketing, behavioural intention, Sanur

Introduction

Background

Information and Communication Technology (ICT) play an important role to gather, store, analyse, communicate and disseminate information. Accurate and up-to-date information of ICT has always been the basis of good decision-making in any business and computer technology has developed to supply this need. ICT was first used to speed up the processing and communication of information within companies, between the company and its trade partners, and more recently through the internet, between the company and its end-users customers. This has had a powerful effect in service industries, such as tourism because information is fundamental to the creation and selling of intangible holiday and travel experiences as information is the life blood of tourism (Middleton, et al., 2009).

Digital marketing has become more sophisticated in the 2000s and the 2010s and the improvement of devices which is able to access digital media has led to great growth of digital advertising. Statistics produced in 2012 and 2013 showed that digital marketing was still a growing field (Hudson, 2007). Digital marketing is often referred to as 'online marketing', 'internet marketing' or 'web marketing'. The term digital marketing has grown in popularity over time, particularly in certain countries. In the USA online marketing is still prevalent, in Italy is referred as web marketing but in the UK and worldwide, digital marketing has become the most common term (Van, 2007).

Digital technology is moving rapidly and has been widely utilized for business development all over the world. Data from The Worlds Stats notes that Indonesia stays in the fourth rank of internet users in Asia which is about 78 million of users (30.5% of the population of Indonesia). Japan stays in the top rank which is about 90.6% of Japan's population, followed by China which is about 49.5% of the China's population and India stays in the third rank which is about 30% of the India's population (Suara Pembaharuan, 2016, 6 June: 12). It was also reported by We Are Social institutions that there is an increase in the internet users in Indonesia during the periods of January 2015 up to January 2016 about 15% which brings about an increase in the number users of social media.

Digital marketing has also been widely used to promote tourism around the world, including Sanur Village Festival in Bali. Sanur Village Festival (SVF) is one of the famous events in Bali which has been held annually since year 2005 in order to recover image and reputation of Bali as a peaceful destination after terrorism attacks. Promotion strategy has always been used in affecting visitor intention to visit SVF. Advertising is one of the powerful promotional strategies which plays an important role in successful of the event, including digital and non-digital advertising. Digital advertisement includes television, internet, and broadcast and non-digital marketing includes printed media, banner and brochure. Examining the role of advertisement to influence visitors' intention to visit SVF is really important. Three other indicators are also need to be examined to influence visitors' intention to visit SVF, including source of event's information,

accompany to visit, and event's arrangement. Types of advertisement used by visitors are also evaluated.

Research objectives

Objective of the research is to examine the role of digital marketing in visitors' behavioural intention to visit Sanur Village Festival 2015 and to evaluate types of advertisement channel used by visitors which affect the visitors' intention to visit SVF including digital and non-digital advertisement.

Literature Review

Digital marketing is defined as:

".... the marketing of products or services using digital channels to reach consumers ..." (Ryan and Calvin, 2009).

The key objective is to promote brands through various forms of digital media. Digital marketing is an umbrella for the marketing of products or services using digital and technologies, either internet or internet. The use of internet includes website such as google, facebook, twitter, linkedin, e-book, web-hosting, etc. Digital marketing which do not require the use of the internet includes mobile phones, display advertising, and any other digital medium such as television, broadcast, LED-TV, satelit, etc (Ryan and Calvin, 2009).

Mogos (2015) reveals that digital marketing is a term used to describe the integrated marketing services used to attract, engage and convert customers online. Digital marketing utilizes multiple channels such as content marketing, influencer marketing, SEO, social media and online advertising to help brands connect with customers and uncover performance of marketing programs in real-time. The way in which digital marketing has developed since the 1990s and 2000s has changed the way brands and businesses utilize technology and digital marketing for their marketing (Carter, et al., 2007).

Digital marketing campaigns are becoming more prevalent, as digital platforms are increasingly incorporated into marketing plans and as people use digital devices instead of going to physical shops (Middleton. 2009). Digital marketing activities are Search Engine Optimization (SEO), Search Engine Marketing (SEM), content marketing, influencer marketing, content automation, campaign marketing, and e-commerce marketing, social media marketing, social media optimization, e-mail direct marketing, display advertising, e-books, optical disks and games, online advertising and any other form of digital media. It also extends to non-Internet channels that provide digital media, such as mobile phones (SMS and MMS), callback and on-hold mobile ring tones (Maw, et.al., 2015 and Nielsen, 2016).

Lee, et al. (2013) reveal that retailers must shift from a linear marketing approach of one-way communication to a value exchange model in which there is a two-way mutual dialogue and benefit-sharing between provider and consumer. Exchanges are more non-linear, free flowing and both one-to-many or one-on-one. The spread of information and awareness can occur across numerous channels such as the blogosphere, YouTube, Facebook, Instagram, Snapchat, Pinterest, and a wide variety of other platforms. Online communities and social networks allow individuals to easily become creators of their own content and

publish their opinions, experiences, thoughts and feelings about many topics and products, hyper-accelerating the diffusion of information. They add that The Nielsen Global Connected Commerce Survey conducted interviews in 26 countries to observe how consumers are using the internet to make shopping decisions in stores and online. They reported that due to the internet and e-commerce, shoppers are increasingly looking to purchase internationally, with over 50% in the study who purchased online in the last six months stating they bought from an overseas retailer. Using a channel strategy is becoming increasingly important for enterprises to adapt to the changing expectations of consumers who want ever-more sophisticated offerings throughout the purchasing journey, in which the internet is becoming an essential component. Retailers are increasingly focusing on their online presence, including online shops that operate alongside existing store-based outlets. Customers are often researching online and then buying in stores and also browsing in stores and then searching for other options online. Online customer research into products is particularly popular for higher-priced items as well as consumable goods like groceries and make up. Consumers are increasingly using the internet to look up product information, compare prices and search for deals and promotions.

Ryan and Calvin (2009) state that a key objective is engaging digital marketing customers and allowing them to interact with the brand through servicing and delivery of digital media. Information is easy to access at a fast rate through the use of digital communications. Users with access to the Internet can use many digital mediums, such as Facebook, YouTube, Forums, and Email etc. Through Digital communications it creates a Multi-communication channel where information can be quickly exchanged around the world by anyone without any regard to whom they are. Social segregation plays no part through social mediums due to lack of face to face communication and information being wide spread instead of to a selective audience. This interactive nature allows consumers create conversation in which the targeted audience is able to ask questions about the brand and get familiar with it which traditional forms of Marketing may not offer (Carter, et al., 2007)

By using internet platforms, businesses can create competitive advantage through various meaning. To reach the maximum potential of digital marketing, firms use social media as its main tool to create a channel of information. Through this channel a business can create a system in which they are able to pinpoint behavioural patterns of clients and feedback on their needs (Middleton, 2009). This means of content has shown to have a larger impact on the long-standing relationship with the firm and with consumers who are relatively active as social media users. Creating a social media page will further increase relation quality between new consumers and existing consumers as well as consistent brand reinforcement therefore improving brand awareness resulting in a possible rise for consumers up the Brand Awareness Pyramid (Ryan and Calvin, 2009).

Although there may be inconstant product images, social media presence requirement of a business to be consistent in interactions through creating two way communications that firms consider their content based on the feedback received through this channel. This is a result of the environment being dynamic due to the global nature of the internet (Carter, et al., 2007). Effective use of digital marketing can result in relatively lowered costs in relation to traditional

means of marketing, lowered external service costs, advertising costs, promotion costs, processing costs, interface design costs and control costs (Hudson, et al., 2016).

Hudson, et al. (2016) suggest that understanding mobile devices is a significant aspect of digital marketing because smartphones and tablets are now responsible for 64% of the time US consumers are online. Kumar, et al. (2016) add that apps provide a big opportunity as well as challenge for the marketers because firstly the apps need to be downloaded and secondly the person needs to actually use it. This may be difficult as 'half the time spent on smartphone apps occurs on the individuals single most used app, and almost 85% of their time on the top four rated apps' mobile advertising can assist in achieving a variety of commercial objectives and it is effective due to taking over the entire screen, and voice or status is likely to be considered highly.

Research Methods

Research location and time

Research was undertaken in the area of Sanur Village Festival (SVF), Sanur-Bali on 26 - 30 August 2015.

Sample design and respondents

The sample was designed based on the criteria of a minimum number of samples according to factorial analysis approach, i.e., at least 10 times of the number of indicators. The number of indicators in this study is 4, while the number of respondents was 207 visitors. Thus it can be stated that the number of samples has already met the minimum criteria of required samples.

Indicators

Table 1
Indicators of Variable Intention to Visit Sanur Village Festival

ITEM	Indicator (statement)
NOR ₁	Source of event's information
NOR ₂	Accompany to visit
NOR ₃	Event's arrangement
NOR ₄	Advertisement

Method of data analysis

Assessing the role of advertisement and three other indicators in affecting intention of visitors to visit Sanur Village Festival was undertaken based on five-point Likert rating scale (Westbrook, 1980; and Colman, et. al., 1997). Data was analysed by using SmartPLS program.

Results And Discussion

Characteristics of respondents

Country of origin and sex

The results show that most visitors are from Indonesia (63%) which is the majority are locals. Visitors from European countries stay in the second ranks (25%), followed by Australia (9.6%), USA (1.8%) and Asia (0.6%) (Figure 1). The percentage of visitors by gender is as follows: of the 207 respondents, 40.9% were male and 59.9% were female.

Age group

The highest percentage of visitors of SVF 2015 based on age group is the age group 16-25 years (39.1%), followed by the age group of 26-35 years (23.2%), age \geq 56 years (19.8%), age group of 46 -45 years (11.6%) and age \leq 15 years (6.3%) is the lowest percentage.

Types of advertisement

Among types of advertisement, the results show that the highest percentage of advertisement's type which affected the visitors' intention to visit SVF is the use of digital advertisement, namely television (41.2%), internet (32.7%), and broadcast (13.4%). However, non-digital advertisement has less influence, namely printed media (4.8%), banner (4.5%) and brochure (3.4%).

Statistical results

Examination of the feasibility of the research instruments of latent variable of intention to visit SVF 2015 are composed by four indicators are shown in the Table 2.

Table 2
Alpha Cronbach and Correlation Coefficients
of Latent Variable of Intention to Visit SVF 2015

ITEMS (Statement)	Average	Variation	Correlation	Alpha Cronbach
NOR ₁ Source of event's information	5.06	1.526	0.255	0.35
NOR ₂ Accompany to visit	4.54	1.667	0.412	0.13
NOR ₃ Event's arrangement	5.77	2.946	0.226	0.43
NOR ₄ Advertisement	5.99	2.705	0.369	0.59

Table 2 shows the coefficient of Alpha Cronbach of four indicators as a measure of reliability of latent variables of visitors' intention to visit Sanur Village Festival. Among four coefficients, only Alpha Cronbach coefficients of advertisement (0.59) is really closed to the threshold value of 0.60 as required by Hair et al. (1995). In addition, among four indicators, only indicator of

advertisement has the correlation coefficient above the threshold (0.369). According to Hair et al. (1995), the threshold correlation coefficient of an indicator toward latent variable is 0.3. The results showed that only indicator of advertisement significantly influenced the latent variable of intention to visit SVF. However, three other indicators such as source of event's information, accompany to visit and event's arrangement are not significantly influence intention of visitors to visit SVF. The results indicated that only indicator of advertisement significantly influenced intention of visitors to visit SVF 2015.

Discussion

Results of this study show that advertisement significantly influenced behavioural intention of visitors to visit SVF 2015. As an umbrella of marketing of products and services, advertisement was proven to be an effective promotional tool in buying behaviour through various forms of digital and non-digital media. As can be seen from the results that among types of advertisement, the highest percentage of advertisement's type which affected the visitors' intention to visit SVF is the use of digital advertisement, namely television (41.2%), internet (32.7%), and broadcast (13.4%). However, non-digital advertisement has less influence, namely printed media (4.8%), banner (4.5%) and brochure (3.4%). These trends are evident that digital advertisement has more powerful effect in influencing visitor's behaviour. Appropriate channels in marketing strategy results in successful transfer of information for selling intangible services such as event and festivities. However, types of specific channels have not been evaluated in this research, especially in term of digital marketing such as weblogs, blogs and portals which have been widely popular in the technology era. Understanding development of preferred weblogs and portals by internet users is very important to be able to get more success in gaining specific target market, as people are getting more internet oriented. On the other hands, digital marketing which is not require the use of the internet includes smart phones, display advertising, and any other digital media such as LED-TV should also be utilized to gain more visitors to come.

The results indicate that successful promotional strategy in the information and technological era should be focused on digital marketing with a clear focus on efficiency, sustainability and experiences enrichment. However, it cannot be denied that other factors such as attitudes toward behaviour and perceived behaviour control are also defining factors in influencing consumers' purchase behaviour which is also need to be focused on.

Conclusion

Digital marketing was proven to be an effective promotional tool for Sanur Village Festival 2015 through various forms of digital media. Digital advertisement has more powerful effect in influencing visitor's behavioural intention to visit Sanur Village Festival 2015 than non-digital marketing.

Limitation

Types of specific channels have not been evaluated in this research, especially in term of digital marketing such as weblogs, blogs and portals which have been widely popular in the technology era. Understanding development of preferred weblogs and portals by internet users is very important to be able to get more success in gaining specific target market, as people are getting more internets oriented.

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